

MINUTES OF MEETING OF BOARD OF PUBLIC WORKS OF AUGUST 12TH, 1931.

The Board of Public Works met at the offices of the State Treasurer, at Annapolis, Maryland, on August 12th, 1931 at Twelve o'clock, noon.

Present:

Albert C. Ritchie, Governor.  
Wm. S. Gordy, Jr., Comptroller.  
John M. Dennis, Treasurer.

The Board proceeded to open bids for bonds of General Construction Loan of 1931, issue of August 15th, 1931, in the amount of \$590,000.00, in accordance with advertisements appearing in the Baltimore Sun and the Baltimore News on July 13, 17, 20, 24, 27, 31, and August 3, 7, as follows;

\$590,000.

STATE OF MARYLAND

Four and One-Quarter Per Cent. "General Construction Loan of 1931"

Annapolis, Md.

Pursuant to Chapter 253 of the Acts of the General Assembly of Maryland of 1931, providing for the issue of the Certificates of Indebtedness herein mentioned and described, and pursuant also to a resolution of the Board of Public Works of Maryland passed on the 6th day of May, 1931, and on file and open to inspection in the office of the said Board in Annapolis, Md., the Treasurer of the State of Maryland will receive bids or proposals for Certificates of Indebtedness of the State of Maryland, as follows:

\$590,000 FOUR AND ONE-QUARTER PER CENT. CERTIFICATES OF  
INDEBTEDNESS KNOWN AS "GENERAL CONSTRUCTION  
LOAN OF 1931."

Said Certificates of Indebtedness will all be dated August 15th, 1931. They will bear interest at the rate of four and one-quarter per centum per annum, payable semi-annually on the 15th days of February and August, respectively, in each and every year during the continuance of the loan. The principal of said loan will be payable upon the Serial Annuity plan, as more fully set forth in said Act of 1931, Chapter 253, as follows:

## "GENERAL CONSTRUCTION LOAN OF 1931"

Series	Amount	Redeemable
"A"	\$34,000.00	August 15, 1934
"B"	36,000.00	August 15, 1935
"C"	38,000.00	August 15, 1936
"D"	39,000.00	August 15, 1937
"E"	41,000.00	August 15, 1938
"F"	43,000.00	August 15, 1939
"G"	45,000.00	August 15, 1940
"H"	47,000.00	August 15, 1941
"I"	49,000.00	August 15, 1942
"J"	51,000.00	August 15, 1943
"K"	53,000.00	August 15, 1944
"L"	56,000.00	August 15, 1945
"M"	58,000.00	August 15, 1946

The said Certificates of Indebtedness will be of the denomination of \$1,000 each, subject to registration as to principal, and all will be issued with interest coupons attached.

This loan and the interest payable thereon is exempt from the Federal income tax and from State, County and Municipal taxation.

The said bids or proposals must be delivered to the Treasurer of the State at his office in Annapolis, Md., before 12 o'clock noon on Wednesday,

AUGUST 12TH, 1931.

Each bid must be for cash on delivery, and must be enclosed in a sealed envelope addressed on the outside "Proposal for General Construction Loan of 1931". Each bid must be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland for five per cent. of the par value of the amount bid for. All bids or proposals will be opened at 12 o'clock noon on Wednesday, August 12th, 1931, in the presence of the undersigned.

On the opening of said proposals, as many of said Certificates of Indebtedness as have been bid for, not exceeding, however, the amount for which proposals are invited, may be awarded by the Governor, the Comptroller of the Treasury and the Treasurer, or a majority of them to the highest responsible bidder or bidders therefor for cash; and if two or more responsible bidders have made the same bid and such bid is the highest and the Certificates so bid for by such highest responsible bidders are in excess of the whole amount of Certificates as offered for sale, then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The undersigned may, in their discretion, accept one bid for all of said loan or separate bids for parts of said loan, as may produce the largest amount, and they may, in their discretion, accept bids which may be for parts of said loan, but are not for all, and they reserve the right in their discretion to reject all bids or any bids.

The Certificates of Indebtedness awarded will be delivered to the successful bidder or bidders, upon receipt of the amount of the successful bid or bids on Saturday, August 15th, 1931, at the office of the State Treasurer, Annapolis, Maryland.

74 8-12-31 40BCC

Bidders are referred to the said Chapter 253 of the Acts of the General Assembly of Maryland of 1931 as containing the full terms and provisions of this loan.

It is one of the terms of this offering that the bonds when issued will be the legal and valid binding obligations of the State. The opinion of the Attorney General of Maryland to this effect will be delivered to the successful bidder. Bidders may, if they wish, make the legality and validity of the bonds one of the terms of the bid by making the bid "subject to legality" or using any equivalent form of expression, but without leaving this question to the decision of the bidders or their counsel. All bids conditioned upon the approval of bidders or counsel, whether named or unnamed, will be treated as conditional bids and rejected unless the condition is waived by the bidder to the satisfaction of the Board before the opening of the bid.

ALBERT C. RITCHIE,  
Governor.

WM. S. GORDY, JR.,  
Comptroller of the  
Treasury.

JOHN M. DENNIS,  
Treasurer.

The bids received were as follows:

UNION TRUST COMPANY OF MARYLAND

Baltimore

August 12, 1931.

Hon. John M. Dennis, Treasurer,  
State of Maryland,  
Annapolis, Maryland.

Dear Sir:-

For all or none of \$590,000 State of Maryland  
4 $\frac{1}{4}$ % Certificates of Indebtedness, known as "General Construction Loan of 1931", more particularly described by the attached advertisement, we will pay 107.065% and accrued interest.

We enclose herewith our certified check for \$29,500 and request that this check be returned, should the bonds not be awarded to us.

Very truly yours,

UNION TRUST COMPANY OF MARYLAND

/s/ Wm. G. Dancy  
Vice President.

## MERCANTILE TRUST COMPANY

of Baltimore, Md.

August 12, 1931.

The Honorables

Albert C. Ritchie,  
Governor of Maryland,  
Wm. S. Gordy, Jr.,  
Comptroller of the Treasury,  
John M. Dennis,  
Treasurer of Maryland,  
Annapolis, Md.

Gentlemen:-

Referring to the \$590,000. State of Maryland 4 $\frac{1}{4}$ %  
Certificates of Indebtedness, known as the "General Construction  
Loan of 1931", advertised to be sold on this day and date, as  
per attached copy of advertisement, which is hereby made a part  
of this bid, for all or none of this entire issue we offer to  
pay you for each \$100. par value the sum of \$106.779 and accrued  
interest to date of delivery.

This bid is made with the understanding that the  
bonds shall be legally and validly issued and sold, and that we  
shall be furnished, free of cost to us, with the favorable  
opinion of the Attorney General of Maryland.

In accordance with the terms of your advertisement,  
we enclose herewith certified check to the order of the  
Treasurer of Maryland for \$29,500.00, being five per cent of the  
amount of the bonds bid for.

In the event that our bid is not accepted, please  
return this check to us immediately.

Very truly yours,  
Mercantile Trust Company of Baltimore,  
Baker, Watts & Company,  
Stein Brothers & Boyce,  
Wallace, Sanderson & Co. New York.

By MERCANTILE TRUST COMPANY OF BALTIMORE,

/s/ Charles W. Johnson  
Manager Bond Department.

CWJ/S

ALEX. BROWN & SONS  
BALTIMORE, MD.

August 12, 1931.

Treasurer of the State of Maryland,  
Annapolis, Maryland.

Dear Sir:-

For all, but not for any part, of \$590,000 State of Maryland Certificates of Indebtedness known as "General Construction Loan of 1931", to be dated August 15, 1931, and to mature annually August 15 in various amounts from \$34,000 on August 15, 1934 to \$58,000 on August 15, 1946, both inclusive, and to bear interest at the rate of  $4\frac{1}{4}\%$  per annum, bids for which are to be received by you until 12 o'clock noon August 12, 1931, we hereby bid at the rate of \$106.563 and accrued interest per \$100 principal amount thereof. We enclose certified check in the amount of \$29,500 which covers your requirement.

Very truly yours,

/s/

ALEX BROWN & SONS

DILLON, READ & CO.

New York,  
August 11th, 1931

Mr. John M. Dennis, Treasurer,  
State of Maryland,  
Annapolis, Maryland.

Dear Sir:-

Referring to the advertisement, a copy of which is attached, appearing on page 14 of The Bond Buyer under date of August 8th, 1931, concerning the offering for public bidding at noon on Wednesday, August 12, 1931, of principal amount of \$590,000 State of Maryland  $4\frac{1}{4}\%$  Certificates of Indebtedness known as "General Construction Loan of 1931", we hereby offer to purchase all but no part of the \$590,000 principal amount as described and in accordance with the terms stated therein at 106.4072 and accrued interest if any.

We enclose certified check drawn to the order of Treasurer of Maryland for \$29,500 which is to be returned to us if our bid is not accepted, otherwise to be retained by you as part payment against the purchase price.

Very truly yours,

/s/ DILLON, READ & CO.

## CHASE HARRIS FORBES CORPORATION

NEW YORK

August 11, 1931.

Hon. John M. Dennis,  
Treasurer of the State of Maryland,  
Annapolis, Maryland.

Dear Sir:-

For the \$590,000 STATE OF MARYLAND  $4\frac{1}{4}\%$  "General Construction Loan of 1931" Certificates of Indebtedness in denomination of \$1,000., coupon in form with the privilege of registration as to principal only, interest payable semi-annually, dated August 15, 1931, maturing each August 15th as follows:

\$34,000. - 1934	\$45,000. - 1940
36,000. - 1935	47,000. - 1941
38,000. - 1936	49,000. - 1942
39,000. - 1937	51,000. - 1943
41,000. - 1938	53,000. - 1944
43,000. - 1939	56,000. - 1945
\$58,000. - 1946	

all of the above without option of prior payment, we will pay \$106.201 and accrued interest to date of delivery for each \$100. par value thereof.

The above bonds to be legally and regularly issued direct general obligations of the State of Maryland, which agrees to furnish the opinion of the Attorney General of Maryland showing same prior to delivery.

We enclose our certified check for \$29,500.00 as a deposit in accordance with the terms of our bid, which we ask to have returned promptly in case the bonds are not awarded to us.

In the event that we are the successful bidder, we shall appreciate your wiring us to that effect.

Very truly yours,

CHASE HARRIS FORBES CORPORATION

BY:

/s/ John S. Linen ?

Vice President

## THE NATIONAL CITY COMPANY

NEW YORK  
August 11, 1931.

Mr. John M. Dennis,  
Treasurer,  
State of Maryland,  
Annapolis, Maryland.

Dear Sir:

For all but no part of  
\$590,000 STATE OF MARYLAND "General Construction Loan of 1931"  
4 $\frac{1}{4}$ % Certificates of Indebtedness  
Dated August 15, 1931  
Maturing without option of prior payment August 15 as follows;  
"A" \$34,000 1934; "B" \$36,000 1935; "C" \$38,000 1936; "D" \$39,000 1937;  
"E" \$41,000 1938; "F" \$43,000 1939; "G" \$45,000 1940; "H" \$47,000 1941;  
"I" \$49,000 1942; "J" \$51,000 1943; "K" \$53,000 1944; "L" \$56,000 1945;  
and "M" \$58,000 1946  
Coupon bonds \$1,000 denomination, registerable as to principal  
only  
Principal and semi-annual interest (February 15 and August 15)  
payable at the State Treasurer's Office, Annapolis, Maryland  
Tax free in Maryland

We will pay 106.109 % and accrued interest to date of delivery which is  
equivalent to par and accrued interest plus a premium of \$ 36,043.10.

This bid is made with the understanding that prior to the  
delivery of the bonds to us we will be furnished with a duplicate original  
copy of the unqualified opinion of the Attorney General of the State of  
Maryland, to the effect that the bonds are legal and binding obligations  
of the State of Maryland, payable principal and interest from unlimited  
taxes against all the taxable property within the State.

In accordance with the Notice of Sale and our bid we enclose  
certified check for \$29,500 being 5% of the par value of the amount of  
bonds bid for, and would appreciate your returning this check should the  
bonds not be awarded to us.

Yours very truly,

THE NATIONAL CITY COMPANY  
OWEN DALY & COMPANY

BY: THE NATIONAL CITY COMPANY

/s/ H. C. Sylvester, Jr.  
Vice President

Enclosure

FIRST NATIONAL  
SECURITIES CORPORATION

BALTIMORE, MARYLAND.  
August 12, 1931.

Hon. John M. Dennis, Treasurer,  
State of Maryland,  
Annapolis, Maryland.

Dear Sir:-

For \$590,000 State of Maryland Four and One-quarter Per Cent Certificates of Indebtedness, "General Construction Loan of 1931", to be sold this day and date, more fully described in the attached advertisement which is a part of this proposal, we respectfully bid you, for all or none, \$105.85 for each One Hundred Dollars par value and accrued interest to the date of delivery.

As evidence of good faith, we enclose herewith certified check, drawn to the order of the Treasurer of Maryland, for Five Per Cent of the par value of the amount bid for.

Respectfully yours,

FIRST NATIONAL SECURITIES CORPORATION

/s/ H. W. Schaefer.  
Vice President.

SALOMON BROS. & HUTZLER

NEW YORK.  
August 11, 1931.

Mr. John M. Dennis  
Treasurer of the State of Maryland,  
Annapolis, Maryland.

Dear Sir:-

We submit herein our bid of \$624,084.30 for \$590,000. State of Maryland  $4\frac{1}{4}\%$  "General Construction Loan of 1931" Bonds



dated August 15, 1931 and maturing August 15, 1934 through August 15, 1946. This bid is for all or none of the bonds and not for all or any part and is made subject to the Approving Opinion of the Attorney General of the State of Maryland.

We are enclosing herewith our certified check drawn to the order of the State Treasurer of Maryland for \$29,500. which is to be returned to us in the event that we are not the successful bidders, otherwise to be retained by you as a partial payment of the purchase price.

Very truly yours,

/s/ Salomon Bros. & Hutzler.

LEM:MF  
Enc.

G U A R D I A N  
Detroit Company

New York,  
August 11, 1931.

Treasurer, State of Maryland,  
Annapolis, Maryland.

Gentlemen:-

For the -

\$590,000 Par Value STATE OF MARYLAND  $4\frac{1}{4}\%$   
"General Construction Loan of 1931"

more fully described in your advertisement appearing in The Daily Bond Buyer, maturing serially as follows:

<u>Series</u>	<u>Amount</u>	<u>Redeemable</u>
"A"	\$34,000	August 15, 1934
"B"	36,000	August 15, 1935
"C"	38,000	August 15, 1936
"D"	39,000	August 15, 1937
"E"	41,000	August 15, 1938
"F"	43,000	August 15, 1939
"G"	45,000	August 15, 1940
"H"	47,000	August 15, 1941
"I"	49,000	August 15, 1942
"J"	51,000	August 15, 1943
"K"	53,000	August 15, 1944
"L"	56,000	August 15, 1945
"M"	58,000	August 15, 1946

the foregoing Certificates to be dated August 15, 1931, bearing interest at the rate of  $4\frac{1}{4}\%$  per annum, payable semi-annually on the 15th days of February and August, respectively, in each and every year during the continuance of the loan, we will pay you therefor the par value thereof

plus a premium of \$32,595.21, or a total of \$622,595.21, which we calculate to be at the rate of 105.524 per bond plus accrued interest to date of delivery to us.

It is our understanding that, in the event we are the successful bidders for these bonds, you will provide us with properly executed securities which will constitute legal and valid binding obligations of the State and further that the opinion of the Attorney General of Maryland to this effect will be furnished to us.

We enclose our certified check drawn to the order of the Treasurer of Maryland for \$29,500.00 as evidence of our good faith in fulfilling this contract. Should we not be the successful bidders for this issue, please be good enough to return this check to us at your earliest convenience.

Respectfully submitted,

/s/ P. C. Wilmerding.  
Vice President.

PCW/HS  
Enc. 1 check

ROBERT GARRETT & SONS

BALTIMORE  
August 12, 1931.

Hon. John M. Dennis,  
State Treasurer,  
State of Maryland,  
Annapolis, Maryland.

Sir:-

For all but no part of the following described, legally issued, properly executed, direct general obligations of the State of Md., namely, \$590,000 General Construction Certificates of Indebtedness, to bear interest at the rate of four and one-quarter per centum per annum, to be dated August 15, 1931, to mature each August 15, \$34,000 1934, \$36,000 1935, \$38,000 1936, \$39,000 1937, \$41,000 1938, \$43,000 1939, \$45,000 1940, \$47,000 1946,\* to be in coupon form in the denomination of \$1,000, registerable as to principal only, principal and semi-annual interest (February 15 and August 15) to be payable in Baltimore, Maryland, or if possible in New York City, preferably at the Guaranty Trust Company of New York, and as further described in official notice of sale appearing in The Daily Bond Buyer July 29th, signed Albert C. Ritchie, Governor, William S. Gordy, Jr., Comptroller of the Treasury, and John M. Dennis, Treasurer, we bid the sum of \$622,332.00 or \$105.48 for each \$100 Certificates, and accrued interest from date of Certificates to date of delivery thereof.

It is understood that we shall be furnished, without expense to us, at time of or prior to the delivery of these certificates, satisfactory

\* \$49,000 1942, \$51,000 1943, \$53,000 1944, \$56,000 1945 and \$58,000 1946

legal opinion of the Attorney General of the State of Maryland, approving the validity of the certificates.

As evidence of our good faith in bidding, we enclose certified check in amount of \$29,500 payable to the order of "Treasurer of the State of Maryland". If this proposal is accepted this check is to be retained as part payment for the above mentioned \$590,000 Certificates; otherwise it is to be returned immediately to us.

This bid is for immediate acceptance.

Very truly yours,

GUARANTY COMPANY OF NEW YORK  
BANKERS COMPANY OF NEW YORK  
ROBERT GARRETT & SONS,  
BALTIMORE

By:

/s/ ROBERT GARRETT & SON

H. M. BYLLESBY & COMPANY

NEW YORK

August 12, 1931.

Mr. John M. Dennis, State Treasurer,  
Annapolis, Maryland.

Dear Sir:—

For the legally issued Five Hundred Ninety Thousand Dollars (\$590,000) State of Maryland bonds, bearing interest at the rate of four and one-quarter per centum ( $4\frac{1}{4}\%$ ) per annum, dated August 15, 1931 and maturing August 15th, each year as follows - \$34,000 in 1934, \$36,000 in 1935, \$38,000 in 1936, \$39,000 in 1937, \$41,000 in 1938, \$43,000 in 1939, \$45,000 in 1940, \$47,000 in 1941, \$49,000 in 1942, \$51,000 in 1943, \$53,000 in 1944, \$56,000 in 1945 and \$58,000 in 1946, we will pay you a total of Six Hundred Eighteen Thousand Three Hundred and Eight Dollars and Twenty Cents (\$618,308.20) plus accrued interest to date of delivery.

We understand that the bonds are in coupon form, in the denomination of \$1,000 and that interest is payable semi-annually. This bid is made subject to the legality of the bonds being approved by the Attorney General of Maryland,

In accordance with the terms of sale, we enclose herewith our certified check in the amount of \$29,500, which check, if we are the successful bidders, is to be considered an advance part payment for the bonds or to be

retained by you as and for liquidated damages should we fail to comply with the terms of this proposal; otherwise to be returned to us at once.

Very truly yours,

H.M. Byllesby & Company, Inc.

E. J. Coulon & Company

By /s/ F.J. Adams

FJA:BB

Upon motion duly made, seconded and carried, the proposal of the Union Trust Company of 107.065% was accepted and the bonds awarded to that bidder.

*Amard*

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The Comptroller and Treasurer reported the purchase of \$100,000.00 Dorchester County Court House and School Bonds for the State Accident Fund. These are 5% bonds and were purchased on a 4.10% basis. The total amount paid including principal and interest being \$113,743.97.

*State Treasurer*

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The Governor Stated that he though something ought to be done looking toward the erection of the Memorial Hall of Records in Annapolis, that the Tercentenary Commission had given the matter consideration and made suggestions as to the selection of an Architect, etc.

It was decided to hold a meeting of the Board in the Governor's office, Baltimore, on Wednesday, August 26th, at two o'clock P.M., at which Mr. Callis and Mr. Kirkman would be present for the purpose of deciding the question of how these matters should be handled.

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The Board again considered the question of indebtedness to the University of Maryland of the Southern Maryland Dairy Company of \$11,861.06. The Board was advised that the Attorney General's office had stated that there was no likelihood of collecting this money because of the lack of responsibility of the concern owing it.

The Board was not agreeable to arbitrarily charging this account from the books of the State, but was of the opinion that the debt should be reduced to judgment and that the State Law Department should proceed to secure a judgment. The Secretary was instructed to communicate with the State Law Department and convey the feelings of the Board to that Department.

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The Comptroller brought to the attention of the Board a recommendation of the State Auditor that certain accounts carried on the books of Spring Grove State Hospital for pay patients be charged off as <sup>un</sup>collectible.

The Board was agreeable to the recommendation, but instructed the Secretary to communicate with the Institution and ask the status of the patients at the present time, that is; whether their maintenance is being charged to the Counties or Baltimore City, depending on their residence.

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The following letter from Maryland Training School for Boys was read and considered:

MARYLAND TRAINING SCHOOL FOR BOYS

LOCH RAVEN, MD.  
July 30, 1931.

To the Board of Public Works,  
Annapolis, Maryland.

Attention Mr. J. O. McCusker.

Gentlemen:-

There is available for the use of the Maryland Training School

for Boys an appropriation of \$5000.00 in February 1932. This appropriation was made for the purpose of installing a new boiler at our power plant. We should like, if consistent with your policy of control, to install this boiler at once in order that the necessary heating capacity for our new Vocational Building may be available during the coming fall and winter.

For the purpose of making this immediate installation we should like to divert from the Equipment Fund for the new Educational Building, which is available to us in August 1931, an amount approximating \$5000.00. The diverted fund mentioned above will be returned to Equipment Fund for the Educational Building in February 1932, when the appropriation for the installation of the new boiler becomes legally available.

Very respectfully yours,

/s/ James A. Pratt,  
Superintendent

JAP/N

The request was approved.

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The following resolution offered by the Governor was considered and unanimously approved:

Resolved, by the Board of Public Works, that all supplies, materials and equipment which are purchase from the proceeds of State bond issues and are not covered by general contract, shall be procured by the several State departments, institutions and boards through the Central Purchasing Bureau, before submission to the Board of Public Works for its approval.

"Bonds"

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There being no further business, the meeting adjourned.

*Joseph O'Meara*  
Secretary.